

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE

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AMPEX CORPORATION, )  
Plaintiff, )  
v. ) C.A. No. 04-1373-KAJ  
EASTMAN KODAK COMPANY, ) **REDACTED –**  
ALTEK CORPORATION and CHINON ) **PUBLIC VERSION**  
INDUSTRIES, INC., )  
Defendants. )  
\_\_\_\_\_  
)

**PROPOSED FINAL PRETRIAL ORDER**

VOLUME 3

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Original Filing Date: October 13, 2006  
Redacted Filing Date: October 23, 2006

## EXHIBIT 9

Defendants' Opposition to Plaintiff's Motion in  
Limine No. 1

**I. DEFENDANTS' OPPOSITION TO AMPLEX'S MOTION IN LIMINE #1 (PAINT BOX VIDEO)**

**INTRODUCTION**

Defendants respectfully submit this opposition to Ampex's Motion in Limine to exclude the video demonstration of the Quantel Paint Box ("Ampex's motion").

In the Paint Box video,

**REDACTED**

Ampex seeks to avoid

this highly relevant evidence at all costs. Its motion to exclude the video demonstration is riddled with unsupported assertions, overstatements, and factual inaccuracies:

**REDACTED**

Extensive factual evidence in the record confirms that the Paint Box demonstration video

**REDACTED**

Ampex's assertions to the contrary are merely unsupported attorney argument. The Paint Box video is therefore highly relevant to this litigation and in no way prejudicial under Fed. R. Evid. 403.<sup>1</sup>

**FACTUAL BACKGROUND**

Richard Taylor taped the demonstration of the Paint Box in March 2005.

**REDACTED**

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<sup>1</sup> Defendants intend to use the video as an exhibit in support of Mr. Taylor's testimony.

**REDACTED**

**REDACTED**

The video demonstration was produced to Ampex on March 25, 2005. Defendants thereafter made the system shown in the video available to Ampex for inspection at Quantel's headquarters in England. (Ex.4, 4/25/05 letter to Ampex.) Ampex declined to inspect the system.

**ARGUMENT**

**1. The Paint Box Video Is Highly Relevant Because**

**REDACTED**

In the video, among many other features,

**REDACTED**

March 22, 1982 Preliminary Description of the Paint Box (Ex. 6, at 5 [cut-and-paste feature can "change the size" of images]); Richard Taylor (Ex. 2, at ¶ 70); and Martin Holbrook (Ex. 7, Holbrook Dep., at 45-7). The ability of the Paint Box

**REDACTED**

Ex. 6, at

4 [Paint Box can store cut-outs to disk]; Ex. 2, ¶¶ 79, 89.) In fact, Martin Holbrook testified that he personally demonstrated these features at the NAB convention from April 4-7, 1982:

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<sup>2</sup> The Paint Box system demonstrated in the video is twenty-five years old and fragile. It would have been extraordinarily expensive--close to \$40,000--to ship to the United States. (Ex. 3, 5/6/05 letter to Ampex.)

Q. For your shorter hourly demos, did you demonstrate the browsing of cutouts?  
A. Oh, yes, most certainly.  
Q. Did you demonstrate the saving of reduced-size cutouts?  
A. Yes. It was a sequence. You reduced the size, you make it a cutout, you store it to the disk, you can retrieve it by the browse or title. All of that was demonstrated. (Ex. 7, at 112.)<sup>3</sup>

Ampex attempts to distort this evidentiary record with attorney arguments devoid of factual or legal support. First, Ampex inexplicably argues:

**REDACTED**

This is incorrect as a matter

of law. A device is prior art as long as it is sold or demonstrated prior to the critical date. *See* 35 U.S.C. § 102(b).

**REDACTED**

each of which ignores the facts on record:

**REDACTED**

The very documents that Ampex cites for the proposition that the 1987 upgrade is relevant belie Ampex's contentions. One of Ampex's documents (Ex. 8C to Ampex's motion) *does not mention any*

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<sup>3</sup> The other features shown in the video are also described by uncontroverted evidence.

**REDACTED**

*features of the Paint Box.* The other article that Ampex cites (Ex. 8E to Ampex's motion) expressly states that "*there [were] no major changes*" to the Paint Box after it was launched at NAB in 1982. (Ex. 8E to Ampex motion, at 1.) (emphasis added)

Finally, Ampex argues that the Defendants do not have documentary evidence to corroborate the features shown in the Paint Box video. (Ampex motion, at 3.) This argument is also directly contrary to the factual evidence of record. As detailed in Defendants' Opposition to Ampex's Motion for Summary Judgment that the Paint Box is Not Prior Art, Defendants have produced *at least thirteen separate documents* that independently corroborate the features of the Paint Box. (D.I. 350.) As explained above, these documents, including the March 10, 1982 brochure and March 22, 1982 Preliminary Description,

**REDACTED**

Indeed, Ampex's attorney arguments regarding the Paint Box video are even contradicted by its own documents and witnesses. Ampex's expert witness on the Paint Box acknowledged that the system sold and demonstrated in March and April 1982 had *each and every one of the features shown in the video*, including the ability to generate, store, and browse reduced size images. (Ex. 8, Cavallerano Dep., at 202, 308-9.)

**REDACTED**

**2. The Paint Box Video Is Not Prejudicial.**

Because the only actual evidence in the record confirms that the Paint Box video

**REDACTED** the video is highly probative and not prejudicial. *See Honeywell Int'l, Inc. v. Universal Avionics Sys. Corp.*, 347 F.Supp.2d 121, 123 (D. Del. 2004) (denying motion in limine to exclude accurate evidence as prejudicial).

Ampex argues that it would be prejudicial for Defendants to use the Paint Box video to support Mr. Taylor's testimony because **REDACTED** It is well established,

however, that where a modification has *no impact on relevant features*, the device can corroborate witness testimony. *See Knorr v. Pearson*, 671 F.2d 1368, 1374 (Cust. & Pat. App. 1982) (exhibit is corroborating where evidence that modification is irrelevant “is challenged only by arguments of counsel”).

Ampex also argues that the Paint Box video is prejudicial because

**REDACTED**

Q. So one of the reasons the Paint Box browse [of] cutouts is faster than the Paint Box browse of full size images, is because the cutouts contain less data than the full size images; correct?

A. Yes. Because again, what bogs down the system is needing to pull off the full size image. *And in fact that's what is such a benefit of the '121 system*, where you don't need to be able – where you don't need to pull off the full size image and send it through the size reducer each time.” (Ex. 8, at 318) (emphasis added).<sup>4</sup>

That the Paint Box’s undisputed ability to browse reduced size images is harmful to Ampex’s case does not make the video prejudicial. *See Coleman v. Home Depot, Inc.*, 306 F.3d 1333, 1344 n.6 (3d Cir. 2002) (fact that evidence “tends to harm a party’s case” does not establish it as prejudicial under Rule 403).

### 3. Ampex’s Arguments Are Inconsistent With Its Apparent Intent To Use A Video Of Its Own.

Ampex’s argument that Defendants should not be entitled to use the Paint Box video is directly contrary to its apparent intent to use a video purporting to show the Ampex system that allegedly practices the claimed invention. Ampex apparently intends to use a video purporting to show the Ampex ESS-3 system as of December 1983. (See Ampex Ex. List, PTX 1258.)

**REDACTED**

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<sup>4</sup> Ampex’s suggestion that Mr. Taylor testified that the Paint Box could not perform this function is disingenuous. When Mr. Taylor testified that the video shows an “experiment,” he was referring to the portion of the video in which he compared the browse of full size images with the browse of reduced size images to show that reduced size images are browsed more rapidly. (Ampex motion, at 5.) Mr. Taylor has clearly explained that the Paint Box could store and browse reduced size images in March 1982. (Ex. 11, Taylor Dep. at 276-8; Ex. 2, ¶¶ 79, 89.)

# **EXHIBIT NO. 1**

**EXHIBIT NO. 1**

**IS**

**CONFIDENTIAL**

## **EXHIBIT NO. 2**

**EXHIBIT NO. 2**

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# **EXHIBIT NO. 3**

**EXHIBIT NO. 3**

**IS**

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# **EXHIBIT NO. 4**

# **EXHIBIT NO. 4**

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# **EXHIBIT NO. 5**

# **EXHIBIT NO. 5**

**IS**

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# **EXHIBIT NO. 6**

# **EXHIBIT NO. 6**

**IS**

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# **EXHIBIT NO. 7**

VOLUME: I

PAGES: 1-115

EXHIBITS: 1-7

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE

----- x  
AMPEX CORPORATION,

Plaintiff,

v.

Civil Action

EASTMAN KODAK COMPANY, ALTEK  
CORPORATION and CHINON  
INDUSTRIES, INC.,

**CERTIFIED  
COPY**

Defendants.

----- x

DEPOSITION of MARTIN A. HOLBROOK

March 10, 2006

9:44 a.m.

Ropes & Gray LLP

One International Place

Boston, Massachusetts

Reporter: Michael D. O'Connor, RPR

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MARTIN A. HOLBROOK March 10, 2006

1 Q. My question is whether the particular four  
2 paragraphs I've asked you to focus on, is that a  
3 description of a demo that you actually performed as  
4 part of your demonstration at the NAB '82?

5 A. I don't recollect that particular imagery,  
6 no.

7 Q. Do you recollect any imagery from that  
8 demonstration, in the context of cut and paste?

9 MR. SUMMERSGILL: Objection.

10 A. I recollect a simple exercise that I did  
11 for the hourly demonstration.

12 Q. What was that? Could you describe that?

13 A. It was a, as I say, a very simple  
14 demonstration, using some of the same facilities as  
15 mentioned in these paragraphs, but necessarily short  
16 for stage presentation.

17 What I did was create a mask or stencil,  
18 which is actually in the first or second paragraphs  
19 of "The Paint Box, a Perfect Picture Assembly Aid,  
20 Cut and Paste, Page 4, cutting a circular hole in a  
21 stencil medium, obviously electronically, the  
22 equivalent, as I say, cutting in a plastic film. I  
23 used an air brush facility within the Paint Box to  
24 create what looked like a ball bearing, a

MARTIN A. HOLBROOK March 10, 2006

1 three-dimensional circle.

2 I was able, then, to cut out and move, as  
3 described in this document, this ball bearing. I  
4 could paste the ball bearing onto the background at  
5 any size, and stick it in position. I then had  
6 another ball bearing on the end of my pen, which I  
7 could reduce in size, in this case with the aid of  
8 the joystick probably, and by reactivating the mask  
9 or stencil, I could actually manipulate the small  
10 ball bearing in the matter of a moon around, in  
11 front of and behind, the large ball bearing. Either  
12 of those images I could have stored.

13 That was the sort of thing one could do for  
14 a short demonstration. Obviously when talking  
15 individually to a professional designer, one would  
16 be more detailed.

17 Q. What do you mean by either of those images  
18 could then be stored?

19 A. I should explain, and I'm sorry. I will  
20 refer to this ball bearing, simply because it's a  
21 useful example. By sticking the large ball bearing  
22 onto the background, that actually becomes a full  
23 frame image, a picture as I would call it. The  
24 little moon ball bearing I was manipulating is a

MARTIN A. HOLBROOK March 10, 2006

1 cutout or a reduced-sized image.

2 Q. So the reduced-sized ball bearing was  
3 generated from cutting out the full-sized ball  
4 bearing; is that what you're saying?

5 A. Yes.

6 Q. And you would use the joystick to reduce it  
7 in size?

8 A. I would probably have used the joystick.  
9 You could also have used the -- one could also have  
10 used the keyboard if you preferred.

11 Q. Then how do you move it? You were talking  
12 about it orbiting, in effect, the larger ball  
13 bearing. How would you do that?

14 A. When you have removed an image from -- when  
15 you've cut out an image -- I will refer to it as a  
16 cutout, and you can also call it a reduced-sized  
17 image or whatever, but I will call it a cutout,  
18 because I've cut it out -- it remains, like on the  
19 end of a pen, attached to the end of a pen, so if  
20 you remove the pen, the small ball bearing will  
21 occupy the equivalent position in space.

22 Q. So the movement is caused by your moving  
23 the pen --

24 A. Yes.

MARTIN A. HOLBROOK March 10, 2006

1 Q. For your shorter hourly demos, did you  
2 demonstrate the browsing of cutouts?

3 A. Oh, yes, most certainly.

4 Q. Did you demonstrate the saving of  
5 reduced-sized cutouts?

6 A. Yes. It was a sequence. You reduced the  
7 size, you make it a cutout, you store it to the  
8 disk, you can retrieve it by the browse or title.

9 All of that was demonstrated.

10 Q. But you can't recall the specific nature of  
11 the demo as to what image was being reduced or  
12 saved; is that correct? I'm talking now about the  
13 hourly demo.

14 MR. SUMMERSGILL: Objection.

15 A. I mean, for the short demo, the hourly demo  
16 we are talking, almost certainly the ball bearing  
17 image.

18 Q. So you're saying you saved the  
19 reduced-sized ball bearing after you created the  
20 image of the ball bearings orbiting one another?

21 A. As a demonstration piece, yes.

22 Q. In general, the term storing cutouts or  
23 retrieving cutouts or browsing cutouts, that's not  
24 necessarily referring to reduced-sized images, is

Martin A. Holbrook

03/10/2006

1 CERTIFICATE 115

2 Commonwealth of Massachusetts

3 Suffolk, ss.

4

5 I, Michael D. O'Connor, Registered Professional  
6 Reporter and Notary Public in and for the  
7 Commonwealth of Massachusetts, do hereby certify  
8 that MARTIN A. HOLBROOK, the witness whose  
9 deposition is hereinbefore set forth, was duly sworn  
10 by me and that such deposition is a true record of  
11 the testimony given by the witness.

12 I further certify that I am neither related to  
13 or employed by any of the parties in or counsel to  
14 this action, nor am I financially interested in the  
15 outcome of this action.

16 In witness whereof, I have hereunto set my hand  
17 and seal this 10th day of March, 2006.

18  
19 *Michael D. O'Connor*

20 Notary Public

21

22

23 My commission expires

24 November 7, 2008

# **EXHIBIT NO. 8**

Alan Cavallerano

05/03/2006

1

1

2 IN THE UNITED STATES DISTRICT COURT  
3 FOR THE DISTRICT OF DELAWARE

4 -----x

5 AMPEX CORPORATION,

6 Plaintiff,

7 -against-

C.A. No.  
04-1371-KAJ

8 EASTMAN KODAK COMPANY, ALTEK  
9 CORPORATION and CHINON INDUSTRIES,  
10 INC.,

**CERTIFIED ORIGINAL  
LEGALINK BOSTON**

11 Defendants.  
12 -----x

13 May 3, 2006  
14 9:08 a.m.

15 Videotaped Deposition of ALAN  
16 CAVALLERANO, taken by Defendants,  
17 pursuant to Notice, at the offices of  
18 Wilmer Cutler Pickering Hale and Dorr  
19 LLP, 399 Park Avenue, New York, New  
20 York, before ERIC J. FINZ, a Shorthand  
21 Reporter and Notary Public within and  
22 for the State of New York.

23

24

25

Alan Cavallerano

05/03/2006

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34:31 1 ALAN CAVALLERANO  
 14:34:37 2 then reside as one composite image.  
 14:34:39 3 That much I am aware of, yeah.  
 14:34:41 4 Q. Let's put aside for a  
 14:34:42 5 moment what happens when you stick the  
 14:34:47 6 image down. We will get to that. Do  
 14:34:51 7 you agree that the Paint Box could  
 14:34:55 8 generate reduced size images?  
 14:34:56 9 MR. BEAMER: Asked and  
 14:34:56 10 answered.  
 14:34:59 11 A. Yes, as I stated, that's  
 14:34:59 12 correct.  
 35:01 13 Q. Do you agree that the Paint  
 14:35:03 14 Box could automatically generate  
 14:35:05 15 reduced size images?  
 14:35:06 16 MR. BEAMER: Objection;  
 14:35:07 17 vague.  
 14:35:11 18 A. Well, automatically, under  
 14:35:13 19 control of a user going through a  
 14:35:17 20 series of steps.  
 14:35:19 21 Q. Well, if the Paint Box  
 14:35:22 22 browse were used to browse full size  
 14:35:27 23 images stored on disk, didn't that  
 14:35:29 24 browse feature automatically generate  
 25 reduced size images?

Alan Cavallerano

05/03/2006

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1 00:18 1 ALAN CAVALLERANO

17:00:20 2 Q. And the Paint Box could

17:00:25 3 reduce the size of those cutouts;

17:00:25 4 correct?

17:00:25 5 A. That's correct.

17:00:27 6 Q. And the Paint Box could

17:00:31 7 store those reduced size cutouts to

17:00:31 8 disk; correct?

17:00:34 9 MR. BEAMER: Objection.

17:00:37 10 A. The Paint Box could store

17:00:41 11 cutouts to disk.

17:00:42 12 Q. And the Paint Box could

17:00:45 13 then browse cutouts that were stored on

17:00:46 14 disk; correct?

17:00:47 15 A. Yes, that's correct.

17:00:49 16 Q. And it could browse reduced

17:00:52 17 size cutouts that were stored on disk;

17:00:53 18 correct?

17:00:54 19 A. Yes, that's my

17:01:01 20 understanding.

17:01:03 21 Well, when we say reduced

17:01:08 22 sized cutouts, though, what we're

17:01:14 23 talking about are cutouts. They are

17:01:16 24 still cutouts.

25 Q. Well, cutouts can be

Alan Cavallerano

05/03/2006

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01:17 1 ALAN CAVALLERANO

17:01:19 2 reduced in size; correct?

17:01:20 3 A. Yes, it's my understanding

17:01:22 4 that you would be able to pull up a

17:01:26 5 cutout and manipulate it, for example,

17:01:28 6 reducing it in size.

17:01:33 7 Q. And after you reduce it in

17:01:36 8 size, you can store that cutout to disk

17:01:38 9 on the Paint Box; correct?

17:01:40 10 A. That's my understanding,

17:01:40 11 yes.

17:01:43 12 Q. And then using the Paint

17:01:45 13 Box browse function, you can browse

17:01:47 14 through cutouts that are stored on

17:01:48 15 disk; correct?

17:01:50 16 A. Yes, that's correct.

17:01:53 17 Q. And that's set forth in the

17:01:59 18 Paint Box manual guide; correct?

17:01:59 19 Strike that.

17:02:00 20 That's set forth in the

17:02:02 21 Paint Box user guide; correct?

17:02:04 22 A. Yes, I have reviewed that

17:02:07 23 document, I believe that -- I know that

17:02:15 24 that is correct, yes.

25 Q. And as far as you know, the

Alan Cavallerano

05/03/2006

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1	12:05	1	ALAN CAVALLERANO
17:12:09	2		pulling off the amount of data for
17:12:11	3		these individual pieces.
17:12:14	4		Q. So one of the reasons the
17:12:20	5		Paint Box browse cutouts is faster than
17:12:22	6		the Paint Box browse of full size
17:12:24	7		images, is because the cutouts contain
17:12:27	8		less data than the full size images;
17:12:34	9		correct?
17:12:35	10		A. Yes. Because again, what
17:12:37	11		bogs down the system is needing to pull
17:12:39	12		off the full size image. And in fact
17:12:43	13		that's what is such a benefit of the
17:12:45	14		'121 system, where you don't need to be
17:12:47	15		able -- where you don't need to pull
17:12:50	16		off the full size image and send it
17:12:59	17		through the size reducer each time.
17:13:02	18		Q. Now, you agree that the
17:13:05	19		demonstration that Mr. Taylor showed on
17:13:08	20		his videotape could actually be done on
17:13:10	21		the Quantel Paint Box; correct?
17:13:13	22		A. I have no reason to think
17:13:17	23		that an operator couldn't set up the
17:13:23	24		steps to be able to create that -- to
	25		be able to create that effect.

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1 ALAN CAVALLERANO

2 C E R T I F I C A T E

3 STATE OF NEW YORK )

4 : ss.

5 COUNTY OF NEW YORK )

6 I, ERIC J. FINZ, a Shorthand  
7 Reporter and Notary Public within and  
8 for the State of New York, do hereby  
9 certify:

10 That ALAN CAVALLERANO, the witness  
11 whose deposition is hereinbefore set  
12 forth, was duly sworn by me and that  
13 such deposition is a true record of the  
14 testimony given by the witness.

15 I further certify that I am not  
16 related to any of the parties to this  
17 action by blood or marriage, and that I  
18 am in no way interested in the outcome  
19 of this matter.

20 IN WITNESS WHEREOF, I have hereunto  
21 set my hand this 8 day of

22 May, 2006.

CERTIFIED ORIGINAL  
LEGALINK BOSTON

23  
24  
25 ERIC J. FINZ

# **EXHIBIT NO. 9**

**EXHIBIT NO. 9**

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# **EXHIBIT NO. 10**

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# **EXHIBIT NO. 11**

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